



Integrated Financial Management Program

Core Financial

Course Name: Purchasing

*Module 3: Contracts/Purchase Order
Administration*

Data Packet

End-User



TABLE OF CONTENTS

TOPIC 1: Monitor Performance.....	3
ACTIVITY 1: Analyze NF533 Reports	3
TOPIC 2: Modify Contract	4
ACTIVITY 1: Verify Funds	4
ACTIVITY 2: Prepare and Issue Unilateral/Bilateral Modifications.....	5
ACTIVITY 3: Distribute Modification	8
ACTIVITY 4: Cancel Modification	9
ACTIVITY 5: Create Novation Agreement	10
TOPIC 3: Closeout Contract	12
ACTIVITY 1: Retire Contract.....	12

TOPIC 1: Monitor Performance

ACTIVITY 1: Analyze NF533 Reports

The Contractor's submitted data will be entered for the NF533 report into the Service Entry Screen of SAP for a contract. The contract is a \$13.75M contract to purchase SLI (Space Launch Initiative) research.

As the Buyer, analyze the data for this contract by:

- Comparing the previous month estimates and actual
- Determining the projected costs of next month
- Assessing whether modifications are needed

FIELD	DATA
Transaction Code	ML81N, MSRV3, ME23N
PO number	(See Supplemental Data Sheet)
Purchasing Organization	If using MSFC data, enter: MSFC If using GRC data, enter: GRC
Material Group	A
Entry Sheet Number (June)	(See Supplemental Data Sheet)
Entry Sheet Number (July)	(See Supplemental Data Sheet)

NOTE: To complete activity, refer to the Analyze NF533 Reports user procedure within the User Procedure packet.

TOPIC 2: Modify Contract

ACTIVITY 1: Verify Funds

The Buyer determined that a change order definitization (i.e., bilateral) was necessary for the TO/DO issued against the contract for rotary engines and maintenance support. The change order definitization requires a change in specifications – RPM increase by 10%.

As the Buyer, review the estimated value for the change order definitization to determine if funds are available.

FIELD	DATA
Transaction Code	ME53N
PR number	(See Supplemental Data Sheet)

NOTE: To complete activity, refer to the Verify PR Value and Funding user procedure within the User Procedure packet.

TOPIC 2: Modify Contract

ACTIVITY 2: Prepare and Issue Unilateral/Bilateral Modifications

a. The Buyer determined that a unilateral modification to the \$13.75M contract to purchase SLI research was needed. A decision was made to exercise the option to conduct the research one more year for \$14.25M. The initial funding for this option is \$7.125M.

As the Buyer, prepare and issue the modification.

FIELD	DATA
Transaction Code	ME22N
PO number	(See Supplemental Data Sheet)
<i>Document Overview On (left side of screen)</i>	
Purchase Requisition	(See Supplemental Data Sheet)
Line item number to Adopt	40
<i>Header</i>	
Additional data tab	
Validity end date (new date)	Old Validity End date + 1 Year
NASA Data tab	
Oblig. Est. Cost	\$19,205,000.00
Oblig. Base/Fixed Fee	\$417,500
Oblig. Award Fee	\$1,252,000.00
Estimated Cost	\$25,760,000.00
Base/Fixed Fee	\$560,000
Award Fee	\$1,680,000.00
Funded through date	Old Validity End date + 1 Year
Modification number	0001
<i>Item Details</i>	
NASA Data tab	
Line Item 20	
Total Value	\$0.00
Created on date	Current date
Line Item 40	
Total Value	\$14,250,000.00
Created on date	Current date

b. The Buyer determined that a bilateral modification to the \$10M IDIQ contract to purchase rotary engines and maintenance support was needed. A new work modification requesting installation services for \$2M is required. The Buyer verified that funds were

available to fulfill the modification. In addition, the bilateral modification was prepared outside of SAP and approved.

As the Buyer, prepare and issue the modification with the modification attachment within SAP.

FIELD	DATA
Transaction Code	ME32K
Agreement	(See Supplemental Data Sheet)
<i>Change Contract: Header Data</i>	
Terms of delivery and payment tab	
Target value	\$12,000,000.00
NASA Data tab (below reference data – no tile exist for this tab)	
Modification number	0002
<i>Change Contract: Item Overview</i>	
Line Item 30	
Item category	D
Short text	Installation Services
Target Quantity	(Derived from Service Specifications)
Unit of Measure	(Derived from Service Specifications)
Net Price	(Derived from Service Specifications)
Material group	N
<i>Service Specifications: Contract specs.....</i>	
Short text	Installation Services
Quantity	1
Unit of measure	JOB
Gross price	\$2,000,000.00
<i>Item Details</i>	
Total value	\$2,000,000.00
Created on Date	Current Date
Create attachment	(Document from Attachment Folder on Desktop)

c. The Buyer determined that a bilateral modification to the TO/DO issued against the \$10M IDIQ contract to purchase rotary engines and maintenance support was needed. A change order definitization requesting a 10% increase in RPM is required. The Buyer verified that funds were available to fulfill the modification by viewing the modification

to the IDIQ contract. In addition, the bilateral modification was prepared outside of SAP and approved.

As the Buyer, issue the modification with the modification attachment.

FIELD	DATA
Transaction Code	ME22N
PO number	(See Supplemental Data Sheet)
<i>Document Overview On (left side of screen)</i>	
PR number	(See Supplemental Data Sheet)
Line item number to Adopt	30
<i>Header</i>	
NASA Data tab	
Modification number	0001
<i>Item Details</i>	
NASA Data tab	
Line Item 10	
Total value	\$440,000.00
Created on date	Current date
Line Item 30	
Total Value	\$0.00
Created on date	Current date
Create attachment	(Document from Attachment Folder on Desktop)

NOTE: To complete activity, refer to the Prepare & Issue Modifications to Obligating Documents and Prepare & Issue Modifications to IDIQ Contracts, BOAs, and BPAs user procedures within the User Procedure packet.

TOPIC 2: Modify Contract

ACTIVITY 3: Distribute Modification

a. The bilateral modification (i.e., new work modification) to the \$10M IDIQ contract to purchase rotary engines and maintenance support has been completed and is ready to be distributed.

As the Buyer, distribute the modification via hardcopy.

FIELD	DATA
Transaction Code	ME32K
Contract number	(See Supplemental Data Sheet)
Output Type	ZOTX
Medium	Print output
Logical Destination	Local Windows Default Printer

b. The bilateral modification (i.e., change order definitization) to the TO/DO issued against the \$10M IDIQ contract to purchase rotary engines and maintenance support has been completed and is ready to be distributed.

As the Buyer, distribute the modification via hardcopy.

FIELD	DATA
Transaction Code	ME22N
PO number	(See Supplemental Data Sheet)
Output Type	ZOTX
Medium	Print output
Logical Destination	Local Windows Default Printer

Note: You will only go through the necessary steps to print, but will be unable to actually print.

NOTE: To complete activity, refer to the Distribute Solicitation & Contractual Documents user procedure within the User Procedure packet.

TOPIC 2: Modify Contract

ACTIVITY 4: Cancel Modification

The Buyer prepared a unilateral modification (i.e., option exercise) for a \$14.25M Contract to purchase SLI research. However, issues arose with the requirements precluding the approval of the modification to exercise the option to conduct one more year of research. The issues result in the need to cancel the modification prior to issuance.

As the Buyer, cancel the modification in SAP.

FIELD	DATA
Transaction Code	ME22N
PO number	(See Supplemental Data Sheet)
<i>Header</i>	
NASA Data tab	
Modification number	0001
<i>Item Overview</i>	
Line Item (to Delete)	40
<i>Item Details</i>	
NASA Data tab	
Total Value (Line Item 20)	\$14,250,000.00
Created on Date	Current Date

NOTE: To complete activity, refer to the Cancel Modification to Obligating Documents user procedure within the User Procedure packet.

TOPIC 2: Modify Contract

ACTIVITY 5: Create Novation Agreement

The Buyer determined that the contract to purchase hydraulic pumps requires a novation at the contract level. The necessary information was gathered by the Buyer and forwarded to the competency center in order to create the vendor master record. Create the new contractual document using the remaining purchase requisition/commitment from the existing contract.

a. Old Contract.

FIELD	DATA
Transaction Code	ME22N
PO Number	(See Supplemental Data Sheet)
Header	
Text tab	
Header Text	(Select)
Text	If using MSFC data, enter: 101455 – Futron Corp. If using GRC data, enter: 105367 – Accurate Machine Tool
Communications data tab	
Your reference	(See Supplemental Data Sheet)
Our reference	DO-C9
NASA Data tab	
Mod. Number	0001
Item Overview	
Line 20	
Change Quantity (deleting un-costed portion)	10 (new quantity value)
Line 30	
Delete this procurement line item	

b. New Contract.

FIELD	DATA
Transaction Code	ME21N
PO Number	(See Supplemental Data Sheet)
Vendor	If using MSFC data, enter: 100293 – AZ

	Technology Inc. If using GRC data, enter: 105367 – Accurate Machine Tool
Document Overview On(left side of screen)	
PR Number	(See Supplemental Data Sheet)
Procurement Line Items to adopt	20 and 30
Header	
Delivery/invoice tab	
Payment Terms	NT30
Incoterms	FOB Destination
Text tab	
Header Text	(Select)
Text	If using MSFC data, enter: 102066 – Ion Optics Inc. If using GRC data, enter: 102062 – International Space System
Communications data tab	
Your reference	(See Supplemental Data Sheet)
Our reference	DO-C9
Additional data tab	
Validity Start Date	TBD by Instructor
Validity End Date	TBD by Instructor
NASA Data tab	
PPC	BX
Contract type	FP
Item Details	
NASA Data tab	
Line Item 10	
Total Value	\$15,000.00
Created on date	Current date
Line Item 20	
Total Value	\$14,000.00
Created on date	Current date

NOTE: To complete activity, refer to the Create Novation Agreement user procedure within the User Procedure packet.

TOPIC 3: Closeout Contract

ACTIVITY 1: Retire Contract

The Buyer and Contracting Officer have processed the final invoice for the SLI research contract.

As the Buyer, confirm that the validity period has expired on the outline agreement and retire the contract.

FIELD	DATA
Transaction Code	ME22N
PO number	(See Supplemental Data Sheet)
<i>Header</i>	
NASA Data tab	
Physical Comp. Date	Current Date
Admin. Comp. Date	Current Date
Sent to Closeout Date	Current Date
Destroy Date	Current Date

NOTE: To complete activity, refer to the Retire Contract user procedure within the User Procedure packet.